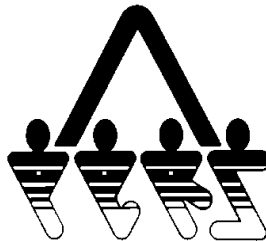


**NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM**

DAKOTA PLAN & DAKOTA RETIREE PLAN

**GROUP HEALTH INSURANCE FOR RETIREES OF TEACHER'S
FUND FOR RETIREMENT**

Effective July 1, 2003 – June 30, 2005



**NDPERS
400 E Broadway, Suite 505
P. O. Box 1657
Bismarck, ND 58502-1657
1-800-803-7377
(701) 328-3900
discovernd.com/ndpers**

Thank you for your interest in the North Dakota Public Employees Retirement System (NDPERS) Group Health Plan. This brochure contains information regarding your eligibility for the Dakota Plan and Dakota Retiree Plan. Both plans are underwritten by Blue Cross Blue Shield of North Dakota (BCBSND). If you have questions or comments regarding the information contained in this brochure, call us toll-free at 1-800-803-7377 or locally at 328-3900.

ELIGIBILITY

To be eligible to join the Dakota Plan or the Dakota Retiree Plan you must be receiving a retirement benefit from Teacher's Fund for Retirement (TFFR).

A surviving spouse is eligible for coverage if:

- You are receiving a beneficiary benefit from TFFR, or
- You were on the Dakota Plan as a covered dependent at the time of your spouse's death and there is no lapse in coverage.

Non-spouse beneficiaries are not eligible to continue on the group health plan.

ENROLLMENT

You must apply within 31 days from any one of the following "qualifying events":

1. Date of retirement, defined as either your:
Last day of active employment if you do not defer your retirement benefit or take a lump-sum refund of your retirement account, or
Date of first retirement check if you defer your retirement benefit.
2. Your 65th birthday or eligibility for Medicare;

3. Your spouse's or eligible dependent's 65th birthday or eligibility for Medicare;
4. The loss of coverage in a health plan sponsored or provided by your employer or your spouse's employer, if you are covered through your spouse's employer group plan. This includes loss of coverage due to the death of, or divorce from a spouse as well as completion of COBRA continuation coverage.
5. Marriage
6. Birth, adoption, or appointment of children for legal guardianship.

If you do not enroll within 31 days of any one of the above qualifying events, you will have forfeited your right to enroll in the Plan in the future.

If you were enrolled in the Dakota Plan as an active employee, coverage will become effective on the first of the month following the final date of coverage provided by your employer. If you are not enrolled in the Dakota Plan at the time of application, coverage will become effective on the first day of the month following one of the "qualifying events" listed above.

CONTINUATION OF COVERAGE

COBRA Continuation

You are eligible for COBRA continuation if you are enrolled in the Dakota Plan as an active employee, and are not eligible for Medicare. You will have the option to continue your coverage for 18 months under COBRA or until you are eligible for Medicare, whichever occurs first. Your options will vary based on the following:

- You **defer your retirement benefit or take a lump sum refund** of your account. After the 18 months has expired and you are not yet

receiving a retirement benefit from one of the eligible retirement systems listed on page 2, you have the option to enroll under a conversion health plan. For details about the conversion option, contact BCBSND at 1-800-223-1704.

- You elect to begin receiving **immediate retirement benefits** from one of the eligible retirement systems listed on page 2. At the conclusion of the 18 months or if you become eligible for Medicare, you have the option to enroll in the Dakota Plan or the Dakota Retiree Plan subject to the eligibility requirements described in this brochure.

Upon termination or retirement, you must complete a Continuation of Group Insurance Coverage, SFN 14120. You must obtain a “Retirement Kit” (SFN 53723) from the website at www.discovernd.com/ndpers or contact the NDPERS office if you do not have web access.

The following COBRA premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
State Agencies	\$234.71	\$579.08
Political Subdivisions	\$250.99	\$619.07
EPO Only Groups	\$233.13	\$575.18

Dakota Plan

You are eligible to enroll for this health coverage under the following circumstances:

- Occurrence of a qualifying event outlined in 1, 4, 5, or 6 on page 3.
- If you are not enrolled in the Dakota Plan as an active employee and elect to begin receiving retirement benefits from one of the eligible retirement systems listed on page 2. To enroll you must obtain a “Retirement Kit”

(SFN 53724) from the website at www.discovernd.com/ndpers or contact the NDPERS office if you do not have web access.

If you have COBRA coverage, you will receive a notification regarding the enrollment procedures prior to completion of your continuation period. To enroll you must complete the application provided with the notice. If you do not enroll in the plan at the time you are eligible, your coverage will cease on the last day of the month for which premium was paid.

The following premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
Non-Medicare	\$351.24	\$702.47
Non-Medicare (3 or more)		\$878.09

Dakota Retiree Plan

The Dakota Retiree Plan is a "Carve-Out" plan that pays secondary to Medicare. It is not a supplemental plan. As secondary payer, there will be an adjustment to your premium if you are transitioning from the Dakota Plan.

You are eligible to enroll for this health coverage at the time either you or one of your eligible family members becomes eligible for Medicare. If you are covered under the Dakota Plan at the time, you will receive a notification approximately 60 days prior to the eligibility date regarding the enrollment procedures. To enroll you must comply with the following requirements:

1. The eligible member must have both parts A and B of Medicare. If the eligible member continues to be covered by an "active" employer group policy, Medicare Part B may be waived until the contract holder terminates employment.

2. You must complete the application provided and include a copy of the Medicare card.

If the previously mentioned requirements are met and you enroll prior to July 1, 2003, the following premiums are in effect through June 30, 2004:

	<u>Single</u>	<u>Family</u> One Medicare/
One Non-Medicare		\$508.10
Medicare Eligible (must have both Medicare A & B)	\$205.54	\$403.30

If the above requirements are met and you enroll in the plan on or after July 1, 2004 the following premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
One Medicare/ One Non-Medicare		\$574.18
Medicare Eligible (must have both Medicare A & B)	\$232.26	\$455.74

If you do not enroll in the plan at the time you are eligible, your coverage will cease on the first day of the month in which you or your family member(s) became eligible.

COVERAGE INFORMATION

Please refer to the "Retiree" section on the NDPERS website.

PREMIUM PAYMENTS

If your monthly TFFR retirement benefit is larger than your monthly premium, you may elect to have your premium automatically be withheld from your benefit check. If your monthly health premium exceeds your retirement benefit, you can either be billed direct or have the premium deducted from a bank account. NDPERS bills direct for premiums on a monthly basis.

However, you may choose to pay multiple months in advance. If you have any questions, please contact NDPERS for more information.

CANCELLATION OF HEALTH COVERAGE

If you wish to cancel your NDPERS health coverage you must submit a written request providing the contract holder's name, contract number and effective cancellation date. Cancellations will only be done at the end of the month. We cannot cancel your policy for a partial month or do a retroactive cancellation of a policy. NDPERS must receive your cancellation request by the 15th of the month prior to the effective cancellation date.

** The information in this publication is subject to both changes made by the North Dakota legislature, by the Board of the North Dakota Public Employees Retirement System (NDPERS) , and its agents.*